

201 South Grand Avenue East
Springfield, Illinois 62763-0002

Telephone: (217) 785-0710
TTY: (800) 526-5812

May 27, 2014

Kindred Hospital Chicago Northlake
ATTN: Chief Executive Officer
4058 W. Melrose Avenue
Northlake, IL 60641

Dear Chief Executive Officer:

Pursuant to 89 IL Administrative Code 148.436, the Department of Healthcare and Family Services has completed the rate calculations for the Long Term Acute Care Hospitals for fiscal year 2014. The determination of eligibility and the calculation of the payment amounts were conducted in accordance with section 148.436, which reads as follows:

148.436(b) Each long term stay hospital's per diem add-on shall be the sum of its annual payment amounts in accordance with Sections 148.126, 148.295 and 148.296 for State fiscal year 2011, divided by its covered days for dates of service in State fiscal year 2011 as contained in the Department's Medicaid Management Information Systems (MMIS).

Effective with admissions on or after November 16, 2013, and upon federal approval, your rate has changed. The following is the calculation used to determine your new rate:

Current Base Rate:	\$604.01
FY2011 GRF Static Payments:	\$57,172.24
FY2011 Days:	38,385
New Add On:	<u>\$ 1.49</u>
New Rate: {Current Base Rate + Add On}	\$605.50

Please note the following will continue to be added to the above mentioned new rate:

Per Public Act 097-0689, the Long Term Acute Care Hospital supplemental payment program will remain in effect at the 2010 rate if you were previously determined to be eligible.

Appeals must be made in accordance with Section 148.310 of the 89 Illinois Administrative Code and must be made in writing no later than THIRTY (30) DAYS FROM THE DATE OF THIS LETTER. For fiscal year 2014, appeals **MUST BE SUBMITTED IN WRITING AND MUST BE RECEIVED OR POSTMARKED NO LATER THAN 06/27/2014**. Direct all appeals and supporting documentation to:

Illinois Department of Healthcare and Family Services
Bureau of Rate Development and Analysis
Attn: Laura Roberts
201 South Grand Avenue East, 2nd Floor
Springfield, Illinois 62763

If you have further questions in regards to these programs, please do not hesitate to contact the Bureau of Rate Development and Analysis at (217) 785-0710. Questions regarding the payment process should be directed to the Bureau of Comprehensive Health Services at (217) 524-7195.

Please provide a copy of this letter to your Chief Financial Officer and Patient Accounts Manager.

Sincerely,

Dan Jenkins, Chief
Bureau of Rate Development and Analysis